H-0985.2	

## HOUSE BILL 1698

State of Washington 57th Legislature 2001 Regular Session

By Representatives Campbell, Quall, Cox, Barlean and Schual-Berke Read first time 02/01/2001. Referred to Committee on Education.

- 1 AN ACT Relating to school construction; amending RCW 28A.525.162
- 2 and 28A.525.166; and adding a new section to chapter 28A.525 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28A.525 5 RCW to read as follows:
- 6 (1) The school construction safety net grant program is 7 established. The purpose of the program is to help build or modernize 8 schools in school districts that have persistently tried but failed to 9 obtain local funds for that purpose.
- (2) The program shall be administered by the state board of education. Through the program, the state board shall provide to an eligible school district a grant to cover the entire cost of a new or modernized school. The costs may be adjusted to reflect standard costs for all aspects of the facility and grounds and may include consideration of local circumstances. The costs may not include any required local match for the project.
- 17 (3) An eligible school district is a district that:

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- 1 (a) Under RCW 84.52.056, has tried but failed at least twice a year 2 for two or more consecutive years to obtain voter approval for the 3 issuance of general obligation bonds for capital purposes; and
- 4 (b) Has applied under the program for a grant to build a school or 5 modernize or replace an existing school building.
- 6 (4) By December 1st of each year, the state board of education 7 shall report to the governor and the legislature a list of projects 8 eligible for funding under the program and the amount needed to fully 9 fund the costs for each eligible project. The state board may submit 10 a revised list by February 15th if additional projects are identified The state board shall provide the list in priority 11 by that date. order, using an index that considers the amount of time that each 12 eligible district has failed to obtain voter approval for the issuance 13 of the general obligation bonds needed for school construction, the 14 15 most current number of unhoused students that would be served through the project, and the condition of the school facility. 16
- 17 (5) The school construction safety net account is created in the custody of the state treasurer. All receipts from appropriations for 18 19 the construction and modernization of schools under this section must 20 be deposited into the account. Expenditures from the account may be used only for school construction in accordance with this section. 21 Only the state board of education may authorize expenditures from the 22 account. The account is subject to allotment procedures under chapter 23 24 43.88 RCW, but an appropriation is not required for expenditures.
- 25 (6) The state board of education shall, to the greatest extent 26 possible, simplify any administrative processes associated with the 27 grant program.
- 28 **Sec. 2.** RCW 28A.525.162 and 1995 c 77 s 24 are each amended to 29 read as follows:
- (1) Funds appropriated to the state board of education from the common school construction fund shall be allotted by the state board of education in accordance with student enrollment and the provisions of RCW 28A.525.200.
- 34 (2) No allotment shall be made to a school district until such 35 district has provided matching funds equal to or greater than the 36 difference between the total approved project cost and the amount of 37 state assistance to the district for financing the project computed 38 pursuant to RCW 28A.525.166, with the following exceptions:

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- 1 (a) The state board may waive the matching requirement for 2 districts which have provided funds for school building construction 3 purposes through the authorization of bonds or through the 4 authorization of excess tax levies or both in an amount equivalent to 5 two and one-half percent of the value of its taxable property, as 6 defined in RCW 39.36.015.
  - (b) No such matching funds shall be required as a condition to the allotment of funds for the purpose of making major or minor structural changes to existing school facilities in order to bring such facilities into compliance with the barrier free access requirements of section 504 of the federal rehabilitation act of 1973 (29 U.S.C. Sec. 706) and rules implementing the act.

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- 13 (3) For the purpose of computing the state matching percentage under RCW 28A.525.166 when a school district is granted authority to enter into contracts, adjusted valuation per pupil shall be calculated using headcount student enrollments from the most recent October enrollment reports submitted by districts to the superintendent of public instruction, adjusted as follows:
- 19 (a) In the case of projects for which local bonds were approved 20 after May 11, 1989:
- (i) For districts which have been designated as serving high school districts under RCW 28A.540.110, students residing in the nonhigh district so designating shall be excluded from the enrollment count if the student is enrolled in any grade level not offered by the nonhigh district;
- (ii) The enrollment of nonhigh school districts shall be increased by the number of students residing within the district who are enrolled in a serving high school district so designated by the nonhigh school district under RCW 28A.540.110, including only students who are enrolled in grade levels not offered by the nonhigh school district; and
- (iii) The number of preschool students with disabilities included in the enrollment count shall be multiplied by one-half;
- (b) In the case of construction or modernization of high school facilities in districts serving students from nonhigh school districts, the adjusted valuation per pupil shall be computed using the combined adjusted valuations and enrollments of each district, each weighted by the percentage of the district's resident high school students served by the high school district; and

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- 1 (c) The number of kindergarten students included in the enrollment 2 count shall be multiplied by one-half.
- 3 (4) The state board of education shall prescribe and make effective 4 such rules as are necessary to equate insofar as possible the efforts 5 made by school districts to provide capital funds by the means 6 aforesaid.
- 7 (5) For the purposes of this section, "preschool students with 8 disabilities" means developmentally disabled children of preschool age 9 who are entitled to services under RCW 28A.155.010 through 28A.155.100 and are not included in the kindergarten enrollment count of the district.
- 12 <u>(6) Projects funded under section 1 of this act are exempt from the</u>
  13 requirements in this section.
- 14 **Sec. 3.** RCW 28A.525.166 and 1997 c 369 s 9 are each amended to 15 read as follows:
- Allocations to school districts of state funds provided by RCW 28A.525.160 through 28A.525.182 shall be made by the state board of education and the amount of state assistance to a school district in financing a school plant project shall be determined in the following manner:
  - (1) The boards of directors of the districts shall determine the total cost of the proposed project, which cost may include the cost of acquiring and preparing the site, the cost of constructing the building or of acquiring a building and preparing the same for school use, the cost of necessary equipment, taxes chargeable to the project, necessary architects' fees, and a reasonable amount for contingencies and for other necessary incidental expenses: PROVIDED, That the total cost of the project shall be subject to review and approval by the state board of education.
- 30 (2) The state matching percentage for a school district shall be 31 computed by the following formula:
- The ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil shall be subtracted from three, and then the result of the foregoing shall be divided by three plus (the ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil).

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1		District adjusted	Total state ad-	
2		3-valuation per	justed valuation	
3	Computed	pupil	per pupil	State
4	State =		····· =	"%Assist-
5	Ratio	District adjusted	Total state ad-	ance
6		3+valuation per	justed valuation	
7		pupil	per pupil	

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PROVIDED, That in the event the percentage of state assistance to any school district based on the above formula is less than twenty percent and such school district is otherwise eligible for state assistance under RCW 28A.525.160 through 28A.525.182, the state board of education may establish for such district a percentage of state assistance not in excess of twenty percent of the approved cost of the project, if the state board finds that such additional assistance is necessary to provide minimum facilities for housing the pupils of the district.

- (3) In addition to the computed percent of state assistance developed in <u>subsection</u> (2) ((above)) of this section, a school district shall be entitled to additional percentage points determined by the average percentage of growth for the past three years. One percent shall be added to the computed percent of state assistance for each percent of growth, with a maximum of twenty percent.
- (4) The approved cost of the project determined in the manner herein prescribed times the percentage of state assistance derived as provided for herein shall be the amount of state assistance to the district for the financing of the project: PROVIDED, That need therefor has been established to the satisfaction of the state board of education: PROVIDED, FURTHER, That additional state assistance may be allowed if it is found by the state board of education that such assistance is necessary in order to meet (a) a school housing emergency resulting from the destruction of a school building by fire, the condemnation of a school building by properly constituted authorities, a sudden excessive and clearly foreseeable future increase in school population, or other conditions similarly emergent in nature; or (b) a special school housing burden resulting from industrial projects of statewide significance or imposed by virtue of the admission of nonresident students into educational programs established, maintained and operated in conformity with the requirements of law; or (c) a deficiency in the capital funds of the district resulting from financing, subsequent to April 1, 1969, and without benefit of the

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state assistance provided by prior state assistance programs, the 2 construction of a needed school building project or projects approved in conformity with the requirements of such programs, after having 3 4 first applied for and been denied state assistance because of the 5 inadequacy of state funds available for the purpose( $( - ) ) \frac{1}{2}$  or (d) a condition created by the fact that an excessive number of students live 6 in state owned housing( $(\tau)$ ): or (e) a need for the construction of a school building to provide for improved school district organization or 8 racial balance(( , )) or (f) conditions similar to those defined under 9 10 (a), (b), (c), (d), and (e) ((hereinabove)) of this subsection, 11 creating a like emergency.

12 (5) Projects funded under section 1 of this act are exempt from the requirements in this section.

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